



MICHIGAN
HOUSE OF REPRESENTATIVES
P.O. Box 30014
LANSING, MICHIGAN 48909-7514

**MINUTES OF THE COMMITTEE
ON
TAX POLICY**

Wednesday, November 28, 2018 10:30 a.m. Room 521, House Office Building

The House Committee on Tax Policy was called to order by the Chairman, Representative Jim Tedder.

Members present: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison and Yancey.

Members absent/excused: None.

Representative Neeley moved to adopt the minutes from the Wednesday, October 3, 2018 meeting.

There being no objection, the motion prevailed by unanimous consent.

The Chair laid before the committee HB 6053 and HB 6054:

HB 6053 (Albert) Property tax; state essential services assessment; penalty for filing essential services assessment late; modify.

HB 6054 (Albert) Property tax; state essential services assessment; penalty for filing alternative essential services assessment late; modify.

Representative Albert, and Mike Johnston, representing the Michigan Manufacturers Association, introduced the substitute (H-2) to the committee. Questions and discussion followed.

Representative Leutheuser moved to adopt the substitute (H-2) to HB 6053.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Leutheuser moved to adopt the substitute (H-2) to HB 6054.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Lower moved to adopt the following amendment to HB 6053, (H-2):

1. Amend page 3, line 4, after **“BY”** by striking out **“SEPTEMBER”** and inserting **“NOVEMBER.”**.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Lower moved to adopt the following amendment to HB 6054, (H-2):

1. Amend page 3, line 4, after **“BY”** by striking out **“SEPTEMBER”** and inserting **“NOVEMBER.”**.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Kahle moved to report HB 6053, as substitute (H-3), with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Johnson moved to report HB 6054, as substitute (H-3), with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

The following people submitted a testimony card in support of HB 6053 and HB 6054, but did not wish to speak:

Amanda Fisher, representing the National Federation of Independent Business.

Paul Connors, representing the Michigan Department of Treasury.

Dan Papineau, representing the Michigan Chamber of Commerce.

The Chair laid before the committee SB 906 and SB 907:

SB 906 (Brandenburg) Sales tax; exemptions; purchase or lease of a school bus or services; provide exemption under certain circumstances.

SB 907 (Brandenburg) Use tax; exemptions; purchase or lease of a school bus or services; provide exemption under certain circumstances.

Representative Maturen moved to report SB 906 with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Lower moved to report SB 907 with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

The following people submitted a testimony card in support of SB 906 and SB 907, but did not wish to speak:

Kellie Dean, representing Dean Transportation.

Brian Thrasher, representing Dean Transportation.

Dan Papineau, representing the Michigan Chamber of Commerce.

The Chair laid before the committee SB 361 and SB 362:

SB 361	(Booher)	Corporate income tax; financial institutions; tax base of financial institutions; clarify.
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SB 362	(Booher)	Corporate income tax; financial institutions; apportionment for unitary business groups; clarify.
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Patrick Tiedt, representing Senator Booher's office, introduced the (H-1) substitutes to the committee. Questions and discussion followed.

Representative Lower moved to adopt the substitute (H-1) to SB 361.

The motion prevailed by a vote of 12-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Leutheuser moved to adopt the substitute (H-1) to SB 362.

The motion prevailed by a vote of 11-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Ellison, and Yancey.

NAYS: None.

PASS: Representative Howrylak.

Representative Kahle moved to report SB 361, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 11-0-1.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Ellison, and Yancey.

NAYS: None.

PASS: Representative Howrylak.

Representative Lucido moved to report SB 362, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 12-1-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: Representative Howrylak.

PASS: None.

The following people submitted a testimony card in support of HB 6053 and HB 6054, but did not wish to speak:

Patricia Herndon, representing the Michigan Bankers Association.

Michael Tierney, representing the Community Bankers of Michigan.

Dan Papineau, representing the Michigan Chamber of Commerce.

Rusty Merchant, representing Huntington National Bank.

Ken Osborne, representing the Michigan Department of Treasury, submitted a card in opposition to the bills, but did not wish to speak.

The Chair laid before the committee HB 6049:

HB 6049 (Lower)	Property tax; assessments; shift of certain assessment functions to county equalization departments; provide for.
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Representative Maturen moved to adopt the substitute (H-1) to HB 6049.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Lower moved to report HB 6049, as substitute (H-1), with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

The following people testified in support of the bill:

Deena Bosworth, representing the Michigan Association of Counties.

Chris Hackbarth, representing the Michigan Municipal League.

Judy Allen, representing the Michigan Townships Association.

Ken Osborne, representing the Michigan Department of Treasury.

Manny Lentine, representing the Michigan Assessors Association, submitted a neutral position testimony card, but did not wish to speak.

Dan Papineau, representing the Michigan Chamber of Commerce, submitted a testimony card in support of the bill, but did not wish to speak.

The Chair returned to SB 906:

Representative Yancey moved to reconsider the vote by which SB 906 was reported with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Johnson moved to report SB 906 with recommendation.

The motion prevailed by a vote of 12-1-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, and Ellison.

NAYS: Representative Yancey.

PASS: None.

The Chair returned to SB 907:

Representative Ellison moved to reconsider the vote by which SB 907 was reported with recommendation.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Vaupel moved to report SB 907 with recommendation.

The motion prevailed by a vote of 12-1-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, and Ellison.

NAYS: Representative Yancey.

PASS: None.

The Chair went at ease at 11:03 a.m., and reconvened at 11:10 a.m.

The Chair laid before the committee HB 4986:

HB 4986 (Maturen)	Individual income tax; property tax credit; disqualifiers and limitations on property tax credit for disabled veterans; eliminate, and repeal disabled veterans property tax exemption.
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Representative Maturen introduced the substitute (H-1) to the committee. Questions and discussion followed.

Representative Maturen moved to adopt the substitute (H-1) to HB 4986.

The motion prevailed by a vote of 13-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Leutheuser, Lucido, Vaupel, Johnson, Kahle, Lower, Byrd, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

The following people testified in support of the bill:

Deena Bosworth, representing the Michigan Association of Counties.

Chris Hackbarth, representing the Michigan Municipal League.

Judy Allen, representing the Michigan Townships Association.

The following people submitted a testimony card in opposition of HB 4986, but did not wish to speak:

Lino Pretto, representing Michigan Purple Heart.

Brett Holt, representing himself.

Mark Sutton, representing the Michigan American Legion, testified in opposition of the bill.

The following people submitted a testimony card in support of HB 4986, but did not wish to speak:

Manny Lentine, representing the Michigan Assessors Association.

Mayor Bryan Barnett, representing the City of Rochester Hills.

The Chair laid before the committee HB 6024:

HB 6024 (Hughes)	Property tax; exemptions; exemption for disabled veterans; modify.
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Representative Hughes, and Mark Sutton, representing the Michigan American Legion, introduced the bill to the committee. Questions and discussion followed.

Lino Pretto, representing the Michigan Purple Heart, submitted a testimony card in support of the bill, but did not wish to speak.

Paul Connors, representing the Michigan Department of Treasury, submitted a neutral position testimony card, but did not wish to speak.

The Chair laid before the committee HB 6433 and HB 6434:

HB 6433 (Noble)	Individual income tax; credit; credit for donation to a certain charitable organization; provide for.
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HB 6434 (Iden)	Individual income tax; credit; credit for donation to a community foundation; provide for.
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Representative Maturen moved to report with recommendation that HB 6433 be referred to the Committee on Regulatory Reform.

The motion prevailed by a vote of 9-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Vaupel, Johnson, Kahle, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

Representative Kahle moved to report with recommendation that HB 6434 be referred to the Committee on Regulatory Reform.

The motion prevailed by a vote of 9-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Tedder, Maturen, Howrylak, Vaupel, Johnson, Kahle, Neeley, Ellison, and Yancey.

NAYS: None.

PASS: None.

There being no further business before the committee and seeing no objection, the Chair adjourned the meeting, the time being 12:00 p.m.

Representative Jim Tedder, Chair

Date Approved and Signed

Eddie Sleeper
Committee Clerk
November 28, 2018
90 minutes